

Power Cost Memorandum Fuel Cost Update

Date: **March 3, 2022**

Utility Name (Cert. No.) KOKHANOK VILLAGE COUNCIL (660)	Utility File No. PC59-0315R	Date Filed: February 7, 2022
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PCE AMOUNT SUMMARY	Previously Approved PC59-0315Q	Staff Recommended Amount(s) and Effective Date PC59-0315R
Class Rate	<u>Date Approved:</u> January 8, 2021	March 4, 2022
ALL	\$0.4946	\$0.5923
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: <u>\$ 3.2876</u>	New Fuel Purchase Price: <u>\$ 4.5003</u>
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted
Delivery Charge: _____	Surcharge Change: Previous _____ Updated _____

Weighted Average Fuel Price/Gal. Calculation					
	<u>Gallons</u>		<u>Price</u>		
On-hand before deliv.	13,249	X	3.2876	=	43,557
Delivered	79,000	X	4.7037	=	371,593
	<u>92,249</u>				<u>415,150</u>
					Weighted Average
					\$ 4.5003

Signed: Brenda Cox
Brenda Cox

Utility Financial Analyst

Commission decision re. this recommendation :

	Date (if different from 3/3/22)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Pickett		<u>RMP</u>		
Kurber		<u>KKT</u>		
Scott		<u>AGS</u> AGS		
Sullivan		<u>JS</u> JS		
Wilson		<u>QW</u> QW		

Special Instructions to Staff:

* If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

KOKHANOK VILLAGE COUNCIL

POWER COST EQUALIZATION CALCULATION
FOR TEST PERIOD ENDING DECEMBER 31, 2014
Fuel Cost Update

APPENDIX 1

		PC59-0315Q	PC59-0315R	
		Prior Staff Calculated	Utility Request	Staff Recommended
A.	Total kWh Generated & Purchased	422,835	422,835	422,835
B.	Total kWh Sold	358,953	358,953	358,953
C.	Total Non-Fuel Costs (Appendix 2)	133,201	133,201	133,201
D.	Non-Fuel Cost/kWh (C / B)	\$0.3711	\$0.3711	\$0.3711
E.	Total Power Costs (Appendix 2)	\$125,566	\$162,483	\$162,483
F.	Fuel Costs/kWh (E / B)	0.3498	0.4527	\$0.4527
G.	Eligible Costs/kWh (D + F)	0.7209	0.8238	\$0.8238
H.	Eligible Cost/kWh (G) less base rate in effect	\$0.5206	\$0.6235	\$0.6235
I.	Lesser of (H) or 79.37 cents/kWh	\$0.5206	\$0.6235	\$0.6235
J.	Average Class Rates (Appendix 3)	\$0.6997	\$0.6997	\$0.6997
Class Power Cost Equalization Per kwh Payable				
K.	Lesser of: (I) X 95% or (J)			
	ALL	\$0.4946	\$0.5923	\$0.5923
L.	Funding Level in Effect	100%	100%	100%
	ALL	\$0.4946	\$0.5923	\$0.5923

PC59-0315R
Appendix 1

KOKHANOK VILLAGE COUNCIL

APPENDIX 2

SCHEDULE OF ELIGIBLE POWER COSTS, SALES AND EFFICIENCY FOR TEST PERIOD ENDING DECEMBER 31, 2014

Fuel Cost Update

		PC59-0315Q	PC59-0315R	
		Prior Staff Calculated	Per Utility	Per Staff
Non-Fuel Costs:				
A.	Personnel Costs	91,967	91,967	91,967
B.	Operating Expenses	15,613	15,613	15,613
C.	General and Administrative	11,001	11,001	11,001
D.	Depreciation	14,620	14,620	14,620
E.	Interest Expense	0	0	0
F.	Other (Describe)	0	0	0
G.	Total Non-Fuel Costs	133,201	133,201	133,201
Fuel Costs:				
H.	Gallons Consumed for Electric Generation	36,105	36,105	36,105
I.	Price of Fuel:(per gal.) Weighted Average	\$3.4778	\$4.5003	\$4.5003
J.	Total Cost of Fuel	\$125,566	\$162,483	\$162,483
K.	kWh Generated Diesel	409,000	409,000	409,000
	kWh Wind	13,835	13,835	13,835
	Total kWh Generated	422,835	422,835	422,835
L.	kWh Sales	358,953	358,953	358,953
M.	kWh Station Service	30,926	30,926	30,926
N.	Efficiency	Eff. Std. ≥ 10.50	11.33	11.33
O.	Line Loss	Eff. Std. ≤ 12%	7.79%	7.79%
(kWh generated -(kWh sold + Station Service))/kWh generated				

PC59-0315R
Appendix 2

Calculation of Average Class Rate per kWh

Rate Schedule: ALL

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (E)/(A)	(7) Avg. Rate (\$/kWh) - 0.2003 /kWh
500	0.9000	0.0000	0.9000	450.00		
500				450.00	0.9000	0.6997
TOTAL (A)				(E)		

Calculation of Community Facilities Average Rate

Rate Schedule: ALL

	(A) Rate (\$/kWh)	(B) Surcharge If Applicable (\$/kWh)	(C) Total Rate (\$/kWh) (A+B)	(7) Avg. Rate (\$/kWh) - 0.2003
0 to ∞	0.9000	0.0000	0.9000	0.6997
Next to				
Next to				
Next to				
Next to				

Kokhanok Village Council

	Invoice Number	Delivery Date	Gallons	Cost per Gallon	Delivery/ Mark-Up per Gallon	Total Cost
Beginning Fuel Inventory			13,249			
Last Approved Fuel Cost/Gal.				\$ 3.2876		
Beginning Fuel Inventory in Gallons	X	Last Approved Fuel Cost/Gal. = Beginning Fuel Inventory Cost ---->				\$ 43,557
Reporting Period Purchases	18-2883	08/02/21	27,500	4.3300	0.3085	127,558.75
	18-2926	08/26/21	30,000	4.4300	0.3085	142,155.00
	18-2973	09/11/21	21,500.0	4.4300	0.3085	101,877.75
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Totals for Reporting Period Purchases on this sheet:			79,000			371,592
Grand Totals (beginning inventory plus purchases)	A	92,249				B \$ 415,149

Grand Total Cost divided by Grand Total Gallons = $\frac{4.5003}{4.7037}$ Weighted Avg. Cost per gallon
Purchases: Total Cost divided by Grand Total Gallons = $\frac{4.5003}{4.7037}$ Weighted Avg. Cost per gallon

Kokhanok included a mark-up of \$0.0422 on its fuel report. However, on the Schedule Kokhanok provided as back-up the Mark-up total is \$0.4763 which includes \$0.1678 for R & R Reserve and \$0.3085 for Labor and Interest Charges. Staff removed the \$0.1678 because it is not an expense at this time. Staff used a mark-up of \$0.3085 (\$0.4763 - \$0.1678) in the calculation above.

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